

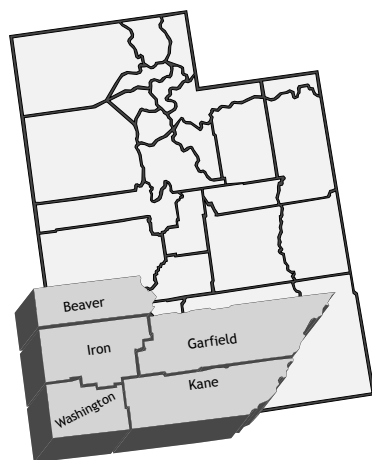
Workforce News



A quarterly publication of the Department of Workforce Services: issued June 2009

Southwest: Beaver, Garfield, Iron, Kane, Washington

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The Graying of Utah's Farmers

Data just released from the 2007 Census of Agriculture



Inside:

- › **Beaver:** Still adding jobs
- › **Garfield:** What recession?
- › **Iron:** Losses bottoming out?
- › **Kane:** Holding steady
- › **Washington:** Construction losses dominate



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Usually in this newsletter, you're reading about nofarm jobs "this" and nonagricultural employment "that." If you belong to that cadre of individuals who raise our food supply, you may think that we arbitrarily ignore you, the service you provide, or think you are not an important part of the Utah economy.

Au contraire! We data geeks adore data of any kind and would love to regularly track agricultural employment. Unfortunately, our employ-

ment data is derived from administrative sources (the unemployment insurance program) that are limited by laws which typically exclude individual farmers. However, every five years, the U.S. government conducts an agricultural census that provides all sorts of farming information.

More Diverse and Older

The recently released 2007 Agricultural Census shows that nationally, farm operators have become more

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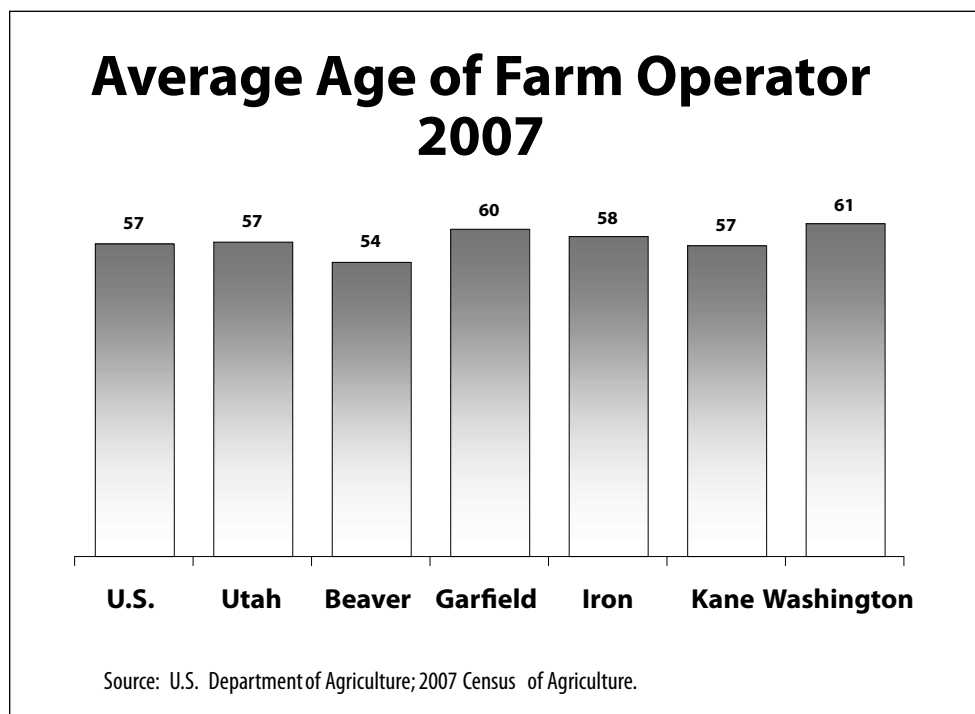
The Graying of Utah's Farmers (continued)

diverse, with more women and ethnic minorities working U.S. farms. And, farm operators have gotten older. Even back in 1978, farming wasn't a young man's occupation—the average age of farm operators was just over 50. However, by 2007, the average farmer's age topped 57 years old. National data also show that the number of operators 70 and older grew by 20 percent between 2002 and 2007, while the number under 25 decreased by 30 percent.

The counties of southwestern Utah fall right in line with national trends. Only Beaver County, with a strong agri-business presence, showed a younger-than-average farmer age. Average ages for Garfield, Iron, and Washington counties all topped the U.S. and Utah figures.

What Now for the Family Farm?

Economic barriers such as climbing operating costs, competition, tax hurdles, and market forces have made it difficult for young families to take over for graying farmers. More and more, family farms only provide supplemental income to wages earned elsewhere. Plus, many young people aren't interested in the hard work and uncertainty running a family farm entails. Finally, the cost of buying new land has skyrocketed—many economists believe



driven by the federal government's "unlimited" farm payment plan.

What might the aging of farm operators mean for agriculture? Most likely, farm assets will continue to be consolidated into larger opera-

tions. From an economic point of view, that may be positive. Larger firms can often operate at a lower average cost. However, from a sentimental point of view, many may mourn the slow decline of the family farm. **WFFN**

Other interesting facts from the 2007 Census of Agriculture:

- Beaver County ranks number one in the state for the total value of agricultural products sold.
- The market value of agricultural production in Garfield County averaged \$22,300 per farm.
- Iron County ranked second in the state for the number of hog and pig inventory.
- The average farm in Kane County received \$12,000 in government payments.
- The average farm in Washington County lost \$7,100.

For more information see: www.agcensus.usda.gov

County News

Beaver County

As the fourth quarter of 2008 came to a close, Beaver County bucked state and national trends by showing continued nonfarm employment expansion. True, the gains weren't particularly large. December did mark the lowest level of expansion of the past six months—up only 1.3 percent (about 30 jobs) from December 2007. And, unfortunately, losses in covered agriculture nearly counterbalanced the gains in the nonfarm sector.

Recessionary pressures were obvious in losses for both the construction and manufacturing sectors. Government, wholesale trade and private healthcare/social services provided the primary job gains.

Garfield County

Garfield County continued to laugh in the face of the national downturn. Garfield County even revved up its job creation motor. Between December 2007 and December 2008, Garfield County's nonfarm employment increased by a whopping 17 percent (350 jobs).

Rapid expansion in Garfield County's "bread and butter" tourism industries dominated employment growth. Yet, even in Garfield County, construction and manufacturing employment felt the blow of the current recession.

Iron County

Iron County headed down the recession trail far in advance of either Utah or the United States. In fact, Iron County appeared to have almost worked its way through the decline, when it was double-whammied by employment losses triggered by the national downturn.

Between December 2007 and December 2008, Iron County lost roughly 770 jobs—a decline of 4.4 percent. As in most counties, construction and manufactur-

ing took major employment hits. In addition, losses in wholesale trade and leisure/hospitality industries added to Iron County's employment woes. Following a common theme, only government and private education/health/social services generated any significant number of new positions.

Kane County

As 2008 came to a close, Kane County hovered around the line between job gain and job loss. However, by December, year-over job losses were evident. Between December 2007 and December 2008, Kane County's employment dipped a meager 0.5 percent.

However, there may be some joy even in this job loss. Many of the county's neighbors are in far worse shape. Kane County's leisure/hospitality industry experienced a slight employment boost. And, here, too, private healthcare/social services are a source of new jobs. It was a decline in construction-related employment that dragged totals down into negative territory.

Washington County

How low can she go? Washington County's year-to-year job losses hit 8 percent in December 2008. That represents the loss of more than 4,300 jobs and ended 2008 with the first annual employment loss in Washington County since 1974.

While almost every major industry was hit by recessionary declines, construction accounted for nearly three-fourths of the employment loss. The only two industries showing employment gains of note are private healthcare/social services, and government. **WFN**

For a more information about these counties, see:
<http://jobs.utah.gov/jsp/wi/utalmis/gotoCounties.do>

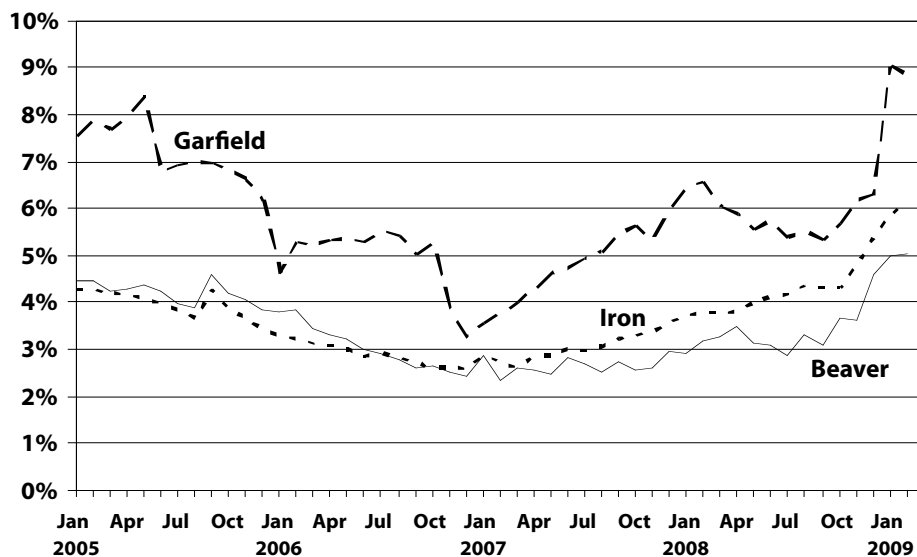
Got Unemployment Rates?

Yes, here at the Utah Department of Workforce Services, we've got unemployment rates. However, at the county level, we've got unemployment rate estimates. The U.S. unemployment rate is generated from a monthly survey of roughly 60,000 households. The state rate is largely the result of survey data. But, county unemployment rates are estimated using data from other sources. Why? No one really wants to fork out the cash needed to expand the survey sufficiently to generate unemployment rates at the county level.

This estimation procedure isn't a new phenomenon or the result of recent government cutbacks. It originated roughly 60 years ago and relies heavily on data from the unemployment insurance system—both for employed and unemployed estimates.

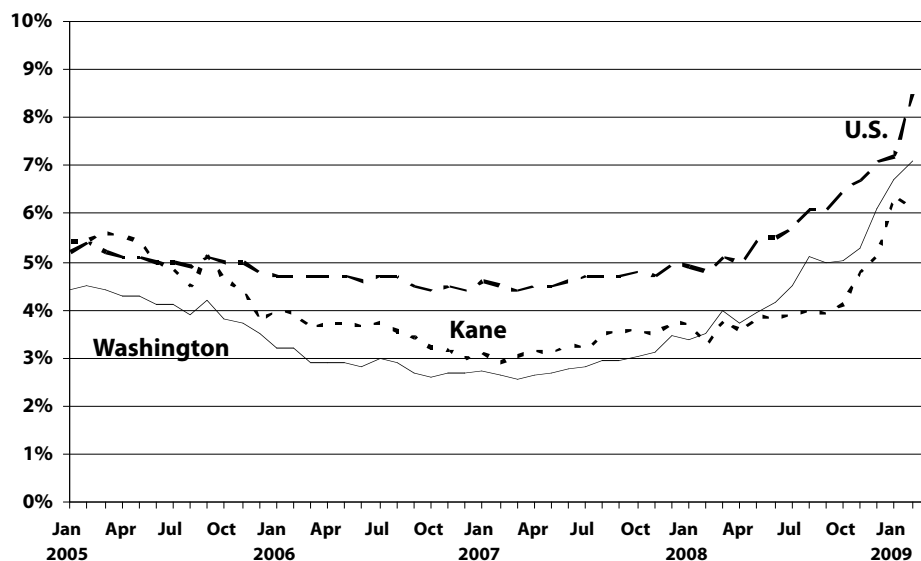
Now, don't be fooled into thinking these rates represent only workers receiving unemployment claims checks. They do not. The estimation

Seasonally Adjusted Unemployment Rates



Source: Utah Department of Workforce Services.

Seasonally Adjusted Unemployment Rates



Source: Utah Department of Workforce Services.

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Got Unemployment Rates? (continued)

process attempts to account for anyone who would be considered unemployed in the national survey. Of course, people “on unemployment” are included. However, we also make estimates for other jobless populations—out-of-work individuals who didn’t qualify for unemployment insurance benefits, people entering the labor market for the first time, workers returning to the labor force after an absence, etc.

Don’t forget that one must be actively looking for work to be counted as unemployed. If you’re retired, a stay-at-home mom, or an out-of-work student who isn’t looking for a job, you are not counted in the labor force at all.

The bottom line? These numbers are estimates and at times may not be an entirely accurate reflection of reality. However, they are calculated with a consistent methodology over time and for all counties across the United States.

Current unemployment rate estimates for counties in southwestern Utah show increased joblessness across the board. However, with the exception of Garfield County, jobless rates remain noticeably lower than the national average. (Please note that most counties experienced record low unemployment rates during 2006 and 2007.) Garfield County typically shows a higher-than-average unemployment rate. A very seasonal labor market means a significant portion of the labor force is unemployed for part of every year, which drives up the rate. **WFN**

For more information about how county unemployment rates are estimated, see: www.bls.gov/lau/laumthd.htm

What’s Up?

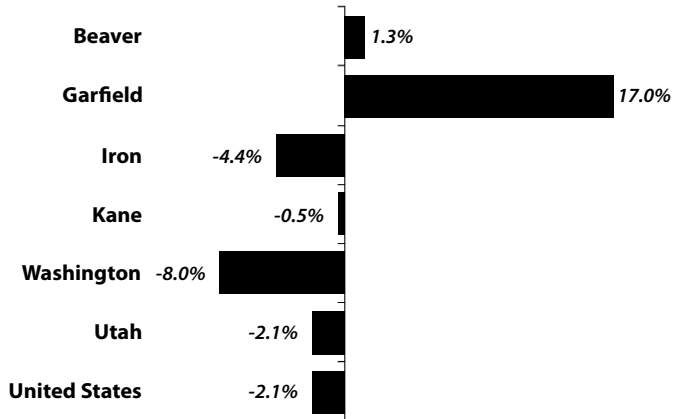
A wind farm is being proposed for the **Harmony Mountains** in Iron County. Heber City-based Wasatch Wind Inc. is in the preliminary stages of getting a 1,400-acre project approved on Bureau of Land Management land. The project would be about five miles north of New Harmony in southern Utah. It could produce more than 100 megawatts of power off of 50 wind turbines on 262-foot tall towers.

—*The Deseret News*

According to a study by the National Park Service and Michigan State University, **Zion National Park**, Utah’s most-visited national park in 2007, attracted 2.7 million visitors, a third of all the state’s national park visitors in 2007. They spent nearly \$133 million and supported an estimated 2,843 jobs. **Bryce Canyon** attracted 1 million visitors, an eighth of all nonlocal visitors. They spent \$54.6 million and supported 1,089 jobs.

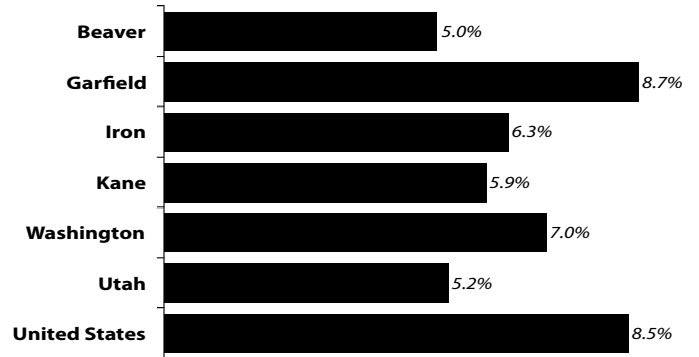
—*The Deseret News*

Percent Change in Nonfarm Jobs December 2007 to December 2008



Source: Utah Dept. of Workforce Services; U.S. Bureau of Labor Statistics.

Seasonally Adjusted Unemployment Rates March 2009



Source: Utah Dept. of Workforce Services; U.S. Bureau of Labor Statistics.

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